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State of North Carolina  
Utilities Commission

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November 22, 1999

COMMISSIONERS  
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ROBERT V. OWENS, JR.  
SAM J. ERVIN, IV

Ms. Magalie Roman Salas  
Office of the Secretary  
Federal Communications Commission  
Portals  
445 Twelfth Street, S.W.  
Washington, DC 20554

96-98

Re: North Carolina Utilities Commission's Petition for Additional Delegated  
Authority to Implement Number Optimization Measures

Dear Ms. Salas:

Please find enclosed for filing an original and five copies of the North Carolina Utilities Commission's Petition for additional delegated authority to implement number optimization measures. If you could file-stamp one copy of this petition and return it to me in the enclosed envelope for our internal records, it would be most appreciated. Thank you.

Very truly yours,

A handwritten signature in cursive script that reads "Erin K. Duffy".

Erin K. Duffy  
North Carolina Utilities Commission Staff

cc: Larry Strickling  
Yog Varma  
Jared Carlson  
Charles Keller  
Blaise Scinto

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Before the  
Federal Communications Commission  
Washington, D.C. 20554

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In the Matter of )  
)  
Petition for Declaratory Ruling and )  
Request for Expedited Action on )  
July 15, 1997 Order of the Pennsylvania )  
Public Utility Commission Regarding )  
Area Codes 412, 610, 215, and 717 )  
)  
)  
Implementation of the Local Competition )  
Provisions of the Telecommunications )  
Act of 1996 )  
)

NSD File No. L-97-42

CC Docket No. 96-98

**NORTH CAROLINA UTILITIES COMMISSION'S PETITION FOR ADDITIONAL  
DELEGATED AUTHORITY TO IMPLEMENT NUMBER OPTIMIZATION MEASURES**

North Carolina Utilities Commission

Robert H. Bennink, Jr.  
General Counsel

Erin K. Duffy  
Commission Staff

430 N. Salisbury St.  
Raleigh, North Carolina 27603

As allowed in Paragraphs 30 and 31 of the Federal Communications Commission's (FCC's) September 28, 1998 Memorandum Opinion and Order and Order on Reconsideration (Pennsylvania Order) in the above-captioned matter, and consistent with delegations of authority in the area of number resource optimization to other state commissions, the North Carolina Utilities Commission (NCUC) respectfully requests that the FCC delegate to the NCUC authority to: (1) conduct thousands-block number pooling trials and order sequential number assignment; (2) establish number assignment and allocation standards, including fill rates; (3) reclaim unused and reserved NXX codes, or NXX codes obtained in violation of industry guidelines; (4) maintain NXX code rationing procedures for six months following area code relief; (5) hear and address claims of a need for an NXX code or NXX codes outside of a rationing process that is in place; and (6) enforce number utilization reporting requirements.

### **BACKGROUND**

North Carolina, like many other states, has had to endure the implementation of new area codes when there are, in actuality, many individual line numbers available for assignment in existing area codes. In 1997, the NCUC issued an Order that required that North Carolina's three area codes each be split, resulting in six area codes for North Carolina. This year, the NCUC was again faced with exhaust in area code 704, which covers Charlotte, North Carolina and the surrounding area. On September 15, 1999, the NCUC issued an Order requiring an overlay for 704. Now, the relief process for area code 919 has begun, and indications are that area code 336 is to exhaust in the near future as well. The difficult process the NCUC undertook in 1997 to implement relief for all three of the state's area codes turned out to be only a precursor of further area code exhaust, and not final resolution. North Carolina citizens have continued to bear the significant inconvenience and expense associated with the implementation of new area codes. The NCUC is seeking this additional delegated authority in order to position itself to be more involved in the NXX allocation and assignment processes, and to take more aggressive action in number resource optimization, where careful analysis indicates that such action is warranted.

As has been pointed out in petitions by other state commissions, the area code exhaust problem is not caused by an actual shortage of individual line numbers within area codes. Instead, the problem is caused by inefficient allocation and administration of numbering resources. Specifically, numbers are assigned in blocks of 10,000 per rate center where a carrier wishes to provide service, even if there is actually a very small number of working lines in the rate center. Further, carriers face virtually no constraints on their abilities to acquire numbering resources, and are not required to participate in numbering optimization measures. In the ongoing rulemaking on numbering issues, CC Docket No. 99-200, the NCUC has taken the position that these

things should change.<sup>1</sup> However, the NCUC needs the additional delegated authority sought in this petition so that it may begin addressing the area code relief situation more aggressively now.

### **THOUSANDS-BLOCK NUMBER POOLING**

The NCUC requests authority to conduct thousands-block number pooling trials in North Carolina. The NCUC is aware of the conditions the FCC has placed on delegations of number pooling authority to other state commissions, and is willing to abide by those conditions. Specifically, the NCUC would: (1) conduct any pooling trial in accordance with industry-adopted thousands-block number pooling guidelines, and consult with the industry before implementing any changes in those guidelines; (2) take steps to ensure that there is an area code relief plan that may be implemented if numbering resources in the area code at issue are in imminent danger of being exhausted; (3) only require carriers that have implemented permanent local number portability (LNP) technology to participate in the trial, and allow non-LNP capable carriers to have traditional access to numbering resources; (4) ensure that "adequate" transition time is provided to carriers to implement pooling in their switches and administrative systems; (5) address cost recovery issues; and (6) initially confine a pooling trial to one Metropolitan Statistical Area (MSA).<sup>2</sup>

The LNP technology necessary for thousands-block number pooling is available now, at least in many of the areas where competition is leading to a drain on NXX code resources. Moreover, thousands-block number pooling has proven effective in the

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<sup>1</sup> See Comments of the NCUC in CC Docket No. 99-200 (NCUC Comments), pp. 3-10.

<sup>2</sup> See *Massachusetts Department of Telecommunications and Energy's Petition for Waiver of Section 52.19 to Implement Various Area Code Conservation Methods in the 508, 781, and 978 Area Codes*, CC Docket No. 96-98, NSD File No. L-99-19, Order, September 15, 1999 (Massachusetts Order) at pp. 6-11; *Florida Public Service Petition to Federal Communications Commission for Expedited Decision for Grant of Authority to Implement Number Conservation Measures*, CC Docket No. 96-98, NSD File No. L-99-33, Order, September 15, 1999 (Florida Order) at pp. 5-9. See also *New York State Department of Public Service Petition for Additional Delegated Authority to Implement Number Conservation Measures*, CC Docket 96-98, NSD File No. L-99-21, Order, September 15, 1999 (New York Order); *California Public Utilities Commission Petition for Delegation of Additional Authority Pertaining to Area Code Relief and NXX Code Conservation Measures*, CC Docket No. 96-98, NSD File No. L-98-136, Order, September 15, 1999 (California Order); *Maine Public Utilities Commission's Petition for Additional Delegated Authority to Implement Number Conservation Measures*, CC Docket No. 96-98, Order, September 15, 1999 (Maine Order).

Illinois pooling trial in extending the life of the 847 area code. The NCUC, as stated in its comments in the numbering rulemaking, supports the development of national standards and procedures for thousands-block number pooling.<sup>3</sup> However, the NCUC requests authority to move to conduct number pooling trials while the national standards are being developed. The NCUC would only order such a trial if analysis of the specific circumstances in a particular area code indicated that number pooling could significantly extend the life of an area code.

As part of the authority to order thousands-block number pooling trials, the NCUC also requests authority to order sequential numbering assignment. The NCUC does not, at this time, have a specific approach for sequential numbering assignment developed. Further, the NCUC recognizes that any sequential numbering assignment regime would need to have built-in flexibility so that a carrier could seek relief from the requirements if the requirements were causing the carrier to be unable to meet specific customer needs. The NCUC would certainly consult with other state commissions that have implemented sequential numbering assignment to attempt to learn what solutions work best, and to be as consistent with those other sequential numbering assignment requirements as possible.

### **ADMINISTRATIVE MEASURES**

In the current number resource assignment environment, carriers can obtain numbering resources without having to demonstrate any actual need for the resources. They are able to keep those NXX codes even if they do not activate them within six months, as is required under the industry guidelines. The North American Numbering Plan Administrator (NANPA) has little authority to enforce the industry guidelines. Again, the NCUC has advocated in the numbering rulemaking that NANPA be given more specific authority to enforce certain guidelines, and that some guidelines be codified as FCC rules.<sup>4</sup> In the current world, however, the industry guidelines simply to not impose any limits on carriers' abilities to obtain numbering resources. There are no penalties for code holders who do not comply with the industry guidelines. Further, once the resources are assigned, recovering NXX codes that were requested improperly or are not being used is an unwieldy process involving the Industry Numbering Committee (INC), and NANPA cannot simply order the code returned.

***NXX Code Allocation Standards, or Fill Rates.*** When a carrier first makes a request for an NXX code or NXX codes in a particular rate center, there are no "fill rates" that NANPA or a state commission can examine, or any other objective criteria to guide NANPA as to whether to grant a code request. The NCUC submits that it could

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<sup>3</sup> NCUC Comments at 12.

<sup>4</sup> *Id.* at 8-9.

examine the specific circumstances in North Carolina and establish criteria for the acquisition of numbering resources. The NCUC recognizes that any such criteria would have to be competitively neutral. The NCUC requests that the FCC delegate authority to the NCUC to: (1) establish fill rates that must be met before a carrier may acquire an additional code in a rate center where it already has a code; and (2) require carriers to demonstrate that they have (or will have within six months) the necessary facilities to serve a particular rate center before a code is assigned. Consistent with the authority granted to other state commissions, the NCUC seeks authority to consider a carrier's fill rate when the carrier is seeking to obtain a "growth code" in a particular rate center, as opposed to obtaining a code to establish a service footprint.<sup>5</sup>

The FCC has stated that delegation of authority to address fill rate and inventory level requirements, subject to certain conditions, will encourage more efficient use of NXX codes and thereby defer an area code being declared in jeopardy.<sup>6</sup> As encouraged by the FCC in prior Orders addressing the petitions of other state commissions, the NCUC would allow for flexibility in establishing fill rates and applying them to carriers, and would guard against applying fill rates in a manner that could deprive customers of their choice of carriers from whom to purchase service upon request.<sup>7</sup> The NCUC will also consult and coordinate with other state commissions that have obtained or may obtain authority to impose fill rates, and will make an effort to establish fill rates that are not inconsistent with those imposed by other states.

**NXX Code Reclamation.** Again, because of the lack of enforceable restraints on NXX code assignment and allocation, the NCUC also requests authority to: (1) reclaim NXX codes which have been acquired in violation of industry guidelines, or any other applicable rules or regulations; (2) reclaim NXX codes, or, where applicable, thousands-blocks that have not been activated or placed in service within the time provided in the industry guidelines; and (3) reclaim codes acquired by carriers certifying that they would be facilities-based carriers but who have failed to establish facilities within the appropriate time frame. The FCC has noted in previous Orders addressing the petitions of other state commissions that reclaiming NXX codes that are not in use may serve to prolong the life of an area code, because these codes would be added to the total inventory of assignable NXX codes in the area code. As has been granted to other state commissions, the NCUC seeks specific authority to investigate whether code holders have activated NXX codes assigned to them within the time frames specified in the industry guidelines, and to direct the NANPA to reclaim NXX

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<sup>5</sup> See Maine Order at 8-11; California Order at 13-15; New York Order at 13-15; Florida Order at 14-16; Massachusetts Order at 14-16.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

codes that the NCUC determines have not been activated in a timely manner. The NCUC seeks authority to request proof from code holders that NXX codes have been "placed in service" according to the industry guidelines. The NCUC seeks to be allowed to make these determinations without following the reclamation procedures set forth in the industry guidelines relating to referring the issue to the INC. The NCUC will accord NXX code holders the opportunity to explain extenuating circumstances behind unactivated NXX codes.<sup>8</sup>

The NCUC further requests authority to, if appropriate, reclaim unused blocks of 1,000 numbers from NXX code holders in North Carolina in conjunction with a number pooling trial. The FCC has noted that reclamation of blocks of 1,000 numbers with little or no contamination has the potential to add significant numbering resources in areas where thousands-block number pooling has been implemented.<sup>9</sup> If the FCC delegates authority to the NCUC to initiate thousands-block number pooling trials, the NCUC requests that the FCC also delegate authority to the NCUC to reclaim unused thousands-blocks in connection with that trial. The NCUC understands that the conditions that apply to implementation of thousands-block number pooling trial will probably also apply to any reclamation of unused thousands-blocks of numbers, consistent with prior FCC Orders.

These measures will help the NCUC guard the public interest by attempting to make area code relief an exception and not a rule. Further, they will benefit carriers that actually need numbering resources and have the necessary facilities to provide services within a specific rate center, by increasing the available supply of numbering resources.

#### ***MAINTENANCE OF RATIONING FOR SIX MONTHS AFTER IMPLEMENTATION OF A NEW AREA CODE***

Currently, North Carolina has one area code, 704, that is in jeopardy rationing. Implementation of an overlay is scheduled for 2000, with mandatory ten-digit dialing beginning November 1, 2000. NXX codes are currently being rationed at the rate of seven per month. The NCUC requests authority to maintain those rationing procedures, in both the old 704 code and the new overlay code, 980, for six months following implementation of the overlay code. As the FCC has noted, this measure would provide "breathing room" for the NCUC, which has just undergone the difficult

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<sup>8</sup> See Maine Order at 12-13; California Order at 16-18; New York Order at 11-13; Florida Order at 11-13; Massachusetts Order at 11-12.

<sup>9</sup> See New York Order at 12-13; California Order at 18; Massachusetts Order at 12-13; Florida Order at 12-13.

process of implementing a new area code.<sup>10</sup> The NCUC recognizes the concern that NXX code rationing not be used as a substitute for area code relief. The requested measure would not forestall area code relief indefinitely, because of the six-month limitation. The NCUC requests this authority for the 704/980 codes, and also for any other area codes that have to undergo jeopardy rationing and are relieved in North Carolina.

### ***HEARING AND ADDRESSING CLAIMS FOR NXX CODES OUTSIDE OF THE RATIONING PROCESS***

The NCUC also seeks authority to hear and address claims of carriers that: (1) are subject to an NXX code rationing plan; (2) seek additional NXX codes outside the parameters of that plan; and (3) allege that they will otherwise be unable to serve their customers. The NCUC would like to be more involved in the NXX code allocation and assignment process generally, and requests authority to hear and address claims of carriers claiming that they do not have any line numbers remaining in their NXX codes, and will be unable to serve customers if they cannot obtain an NXX code, or that they are using or will have to use extraordinary and unreasonably costly measures to provide service. Further, the NCUC seeks authority to direct the NANPA to assign an NXX code to a carrier outside of an established rationing plan in an area code upon the NCUC's determination that such relief is necessary. The NCUC seeks the authority to request information that might be necessary to evaluate a carrier's request for additional numbering resources.<sup>11</sup>

### ***ENFORCEMENT OF NUMBER UTILIZATION REPORTING REQUIREMENTS***

Consistent with the authority that the FCC has granted to the Maine Commission, the NCUC seeks authority to require North Carolina carriers to submit a completed Central Office Code Utilization Survey (COCUS) to the NANPA. Further, the NCUC seeks authority to direct the NANPA to suspend the assignment of NXX codes in North Carolina to a carrier if that carrier has not complied with the NCUC's directive to complete the COCUS.<sup>12</sup>

Currently, the NCUC receives utilization information from North Carolina carriers, separate and independent from the COCUS information. However, the NCUC recognizes the importance of accurate and timely COCUS information to forecasting of area code exhaust and overall NANP exhaust. The NCUC has supported modifications

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<sup>10</sup> See Florida Order at 13-14; Massachusetts Order at 13-14.

<sup>11</sup> See Massachusetts Order at 16-17; California Order at 16.

<sup>12</sup> See Maine Order at 14.



and improvements to the current COCUS in the context of the numbering rulemaking.<sup>13</sup> The delegated authority sought would allow the NCUC to ensure that NANPA receives accurate and timely information from North Carolina carriers, which will benefit the NCUC by letting it know with more precision the status and exhaust potential of North Carolina area codes.

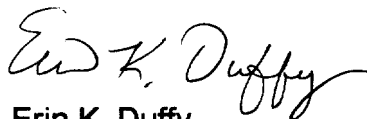
### **CONCLUSION**

The NCUC continues to support the FCC's efforts to address the number resource exhaust problem at the national level, and looks forward to the FCC's upcoming order in CC Docket No. 99-200. The NCUC recognizes the value in having national standards and procedures for number optimization. The NCUC respectfully requests this additional delegated authority in the area of number optimization, however, for the purpose of taking more action in the area of number resource allocation and assignment now. The NCUC's interest in taking such action is spurred by the NCUC's desire to, if possible, spare North Carolina citizens additional inconvenience, confusion, and expense caused by area code changes that really should be unnecessary. The NCUC believes that its efforts could readily be conformed to national standards, rules, or guidelines, once they are in place. The delegated authority sought would not significantly hamper national consistency in the area of number resource optimization.

Respectfully submitted,



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<sup>13</sup> NCUC Comments at 6-7.